

St Luke's Church Hampstead

# Report and Accounts

year ended 31 December 2019

**stewardship<sup>®</sup>**

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**PAROCHIAL CHURCH COUNCIL OF ST LUKE'S CHURCH HAMPSTEAD**

**LEGAL & ADMINISTRATIVE DETAILS**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

ADDRESS FOR CORRESPONDENCE	St. Luke's Church Kidderpore Avenue London NW3 7SU
GOVERNING DOCUMENTS	PCC Powers Measure 1956 and the Church Representation Rules 2011
CHARITY REGISTRATION NUMBER	1144851
MEMBERS OF THE PCC	<i>Ex Officio members:</i> Rev. Alistair Tresidder (incumbent) Rev. Tom Pountain (assistant minister) Darren Barker (church warden) Adam Farlow (church warden)  <i>Elected members</i> Andrew Parker Adrian Barrett Brandon Leung Monica Duncan Pietie Oliver Nia Diwakar Claire Fairbairn (resigned September 2019) Joseph Diwaker (appointed April 2019) Oliver Hughes (resigned October 2019) Michael Poulard (appointed September 2019)
INDEPENDENT EXAMINER	Ajay Rajani FCIE Stewardship 1 Lamb's Passage LONDON EC1Y 8AB

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**PAROCHIAL CHURCH COUNCIL OF ST LUKE'S CHURCH HAMPSTEAD**

**REPORT OF THE PAROCHIAL CHURCH COUNCIL**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

The PCC has pleasure in submitting the Report and Accounts for the year ended 31 December 2019.

**Objects of the charity**

The charity is responsible for co-operating with the incumbent, in promoting in the ecclesiastical parish, the whole mission of the Church be it pastoral, evangelistic, social or ecumenical. The PCC is also responsible for maintaining certain church property situated within the parish, namely the church building.

The PCC (with the incumbent) seeks to further its charitable purposes in carrying out for the public benefit the following activities: holding regular public worship open to all; pastoral work, including visiting the sick and the bereaved; the teaching of Christianity through sermons, courses and small groups; the taking of religious assemblies in schools; the provision of youth clubs with a Christian ethos; the promotion of Christianity through the staging of events and meetings and the distribution of literature; promoting the whole mission of the Church through provision of activities for senior citizens, parents and toddlers and other special need groups; and supporting other charities in the UK and overseas.

**Summary of the charity's main activities and achievements**

The PCC oversees the distribution of a proportion of its regular income to mission activities and causes. For 2019, a sum of £18,493 was allocated for distribution. The selection criteria for recipients require that they be committed Christians actively seeking to proclaim the gospel, living and witnessing in a way which is faithful to biblical teaching, prepared to be partners with the church family at St Luke's including the regular sharing of prayer needs and news, and (if individuals) linked to a missionary society which shares our aims and provides appropriate pastoral support and training.

The PCC met 6 times during the year. Alistair Tresidder and Tom Pountain were invited regularly to report on their work and plans (preaching, pastoring, training and evangelism), and consideration was given to staffing issues as appropriate. Pietie Olivier presented regular financial updates and management accounts and Andrew Parker & Adrian Barrett provided reports from Deanery Synod meetings. Throughout the year the PCC also considered a number of requests for use of the main church building by external hirers, evaluating these on a case by case basis. Amongst other business:

**January:** Alistair Tresidder had secured Community Infrastructure Levy (CIL) funding to pay for the floor treatment and boilers (amounted to roughly £32,000). Alistair Tresidder had a ministerial review with the Bishop of Edmonton. The Bishop of Edmonton asked St Luke's to take particular lead in vocations, in recognition of our work in that area so far. Tom Pountain led a discussion on the future of the Sunday evening service.

**March:** The PCC heard updates on the newly completed floor, funded by CIL, and the continuing partnership between St Luke's School and Hampstead Parochial School. The PCC received a presentation from the treasurer on the church finances and discussed: a request for funding from an ordinand, how to spend a large bequest left to church and the financial implications of hiring external childcare for the Monday bible study. The PCC also discussed procedural business and the electoral roll in advance of the APCM.

**May:** Sheena Tresidder reported on the activities of women's ministry and the formation of a Women's Ministry Team. The team consists of eight women with a current focus on looking to address gaps in women's ministry e.g. working women. The whole team will be trained to reach more women in the congregation, especially through one-to-one bible reading and prayer triplets. The PCC also considered further mission giving to existing and new partners.

**July:** Various outreach initiatives were discussed including dialogue dinners, a formal Christianity Explored course and a Farsi bible study. Our interim youth worker Simon Jones, reported to PCC on his time at St Luke's. Paul Sutton has agreed to take on direction of music at church for the next year. The annual PCC safeguarding audit was undertaken and specific safeguarding matters were discussed.

**September:** The PCC discussed Josh Kendall commencing his term as the youth and children's worker. Alistair Tresidder made PCC aware of his sabbatical due in 2021 and his intentions of how to use this time. Mike Poulard set out what he had sought to achieve so far since taking on the premises role (incl. reviewing policies / current documentation incl. fire safety).

**November:** A donation toward a training fund for theological education was discussed. Following on from the Archdeacon's visitation, it was reported that the visitation had raised no material points for the PCC's attention.

In planning the activities the PCC has applied the guidance on public benefit issued by the Charity Commission.

In March 2020 the charity took steps (in line with government advice) to help contain the outbreak of COVID-19. This included the temporary suspension of all physical gatherings and the charity has had to curtail, or change, how it operates; the charity has been able to continue some of its activities using on-line media. The trustees are monitoring income and expenditure and, if it becomes necessary, will take measures to mitigate the impact of COVID-19 on the charity's free reserves.

## **Financial review**

During the year income increased from £178k to £241k and expenditure increased from £200k to £230k. As a result the cash held by the charity increased from £180k, to £191k, of which £3.8k is restricted.

- The increase in costs is largely due to employing a women's worker for a full calendar year, commencing employment of our new youth worker and major repair costs.
- The increase in income is mostly due to a one-off bequest of £50k and government grants for £19k for major repairs. The legacy is not restricted and the PCC is reviewing the best use of funds.
- We forecast deficits of c. £40k per annum going forward (assuming our staff mix / areas of ministry focus stay broadly constant). The underlying reason for this is that regular giving from the church family remains at a lower level than our annual operating expenditure (as has been the case for the past few years).
- Available funds are comfortably in excess of the reserves policy, which means such deficits can be supported in the short-term, however finance committee / PCC will continue to encourage this balance to be redressed within the church membership.
- The PCC's contribution to the Common Fund increased to £83k, up from £81k. This reflects the stipend and housing provided to the vicar in addition to the provision of other centralised Church of England services, from which St Luke's benefits. This is by far our largest single expense item.

Please refer to the financial statements for the year ended 31 December 2019 for further detail of the financial activities of the Church.

## **Reserves policy**

Where there are short-term surpluses, the PCC's investment policy is to maximise returns using low risk products from major banks or prescribed Church of England investment schemes. Our reserves policy is to aim to keep at least six months' worth of annual church running costs (currently in the region of £75k) in liquid assets; should this minimum at any time not be met an immediate plan would be enacted to reduce costs or raise additional income. At the year end, the charity held unrestricted cash of £187K and the charity is complying with its reserves policy.

## **Governance**

The charity is registered with the Charity Commission and operates under the Charities Act 2011. The governing documents for the charity are the Parochial Church Councils (Powers) Measure 1956 (as amended) and the Church Representation Rules 2011.

The appointment of PCC members is governed by, and set out in, the Church Representation Rules. The PCC comprises ex-officio members (which includes clergy and churchwardens), elected members and co-opted members. The PCC organises elections annually before the Annual Parochial Church Meeting (APCM) to fill vacancies. The members of the PCC are the charity's trustees for the purposes of charity law.

Responsibility for setting policy and for determining the parameters within which the charity should operate rests with the PCC which meets regularly to monitor the activities of the charity. Responsibility for the day to day operation of the charity has been delegated to a management team led by the incumbent.

With regard to the PCC's obligations to safeguard children and vulnerable adults, the members of the PCC confirm that they have complied with their duties under section 5 of the Safeguarding and Clergy Discipline Measure 2016.

The PCC has appointed a number of sub-committees:

- Standing Committee: This is the only committee required by law. It has power to transact the business of the PCC between its meetings, subject to any directions given by the PCC.
- Finance Committee: PCC has delegated to this committee the tasks of: financial planning; effective monitoring of income and expenses and implementation of robust money-handling controls; maximising income within Biblical principles; and ensuring that resources are used cost-effectively.
- Premises Committee: PCC has delegated to this committee the tasks of: supporting the PCC in its planning for ongoing and future premises work; managing ongoing premises work; and related functions relating to the care of our church buildings and the safety of those who use them.
- Mission Committee: PCC has delegated to this committee the tasks of: motivating the church family and helping them to learn about the health of the Church both at home and abroad; prompting a response from the church family by providing opportunities to pray and to provide practical support to further the proclamation of the gospel and the growth of the Church worldwide.

The PCC has policies and procedures in place in relation to smoke-free premises, child protection and safeguarding, hall hire and use of the main church building, risk assessment, fire risk, the handling of cash, baptisms / thanksgiving services and staff expense claims.

**Responsibilities of trustees**

Charity law requires the PCC to prepare financial statements for each accounting year which record the receipts and payments of the charity for the year.

The PCC is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable us to ensure that the financial statements comply with the Charities Act 2011.

We also have a responsibility to safeguard the assets of the charity and to take reasonable steps to prevent fraud or any other irregularities.

**Approval**

This report was approved by the trustees on 11 May 2020 and signed on their behalf by:

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Rev. Alistair Tresidder  
Vicar and chairman

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Adam Farlow  
Church Warden

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Darren Barker  
Church Warden

**INDEPENDENT EXAMINER'S REPORT**  
**TO THE TRUSTEES OF**  
**PAROCHIAL CHURCH COUNCIL OF ST LUKE'S CHURCH HAMPSTEAD**

I report to the trustees on my examination of the accounts of St Luke's Church Hampstead ('the charity') for the year ended 31 December 2019 on pages 8 to 12 following.

**Responsibilities and basis of report**

As the trustees of the charity, the members of the PCC are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

**Independent examiner's statement**

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in accordance with section 130 of the 2011 Act; or
2. the accounts do not accord with the accounting records.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Ajay Rajani FCIE

Stewardship  
1 Lamb's Passage  
LONDON  
EC1Y 8AB

Date: 29 May 2020



**PAROCHIAL CHURCH COUNCIL OF ST LUKE'S CHURCH HAMPSTEAD**

**RECEIPTS AND PAYMENTS ACCOUNT**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

	Notes	Unrestricted Funds £	Restricted Funds £	2019 £	2018 £
<b><i>Income receipts</i></b>					
Voluntary receipts	2(a)	148,091	13,673	161,764	110,094
Church activities	2(b)	55,598	-	55,598	66,292
Government funding for major repairs	2(c)	-	19,163	19,163	-
Investment income	2(d)	1,491	6	1,497	1,488
Other income	2(e)	2,888	-	2,888	547
<b><i>Total receipts</i></b>		<b><u>208,068</u></b>	<b><u>32,842</u></b>	<b><u>240,910</u></b>	<b><u>178,421</u></b>
<b><i>Payments</i></b>					
Church activities					
Church running costs	4(a)	187,877	3,250	191,127	190,029
Major repairs	4(b)	642	19,163	19,805	-
Mission giving and donations	4(c)	8,379	10,219	18,598	9,801
<b><i>Total payments</i></b>		<b><u>196,898</u></b>	<b><u>32,632</u></b>	<b><u>229,530</u></b>	<b><u>199,830</u></b>
<b>Net of receipts / (payments) before transfers</b>		<b>11,170</b>	<b>210</b>	<b>11,380</b>	<b>(21,409)</b>
Transfers between funds		-	-	-	-
<b>Net movement in funds</b>		<b><u>11,170</u></b>	<b><u>210</u></b>	<b><u>11,380</u></b>	<b><u>(21,409)</u></b>
Cash funds as at last year end		175,971	3,608	179,579	200,988
<b>Cash funds at this year end</b>	<b>A</b>	<b><u>187,141</u></b>	<b><u>3,818</u></b>	<b><u>190,959</u></b>	<b><u>179,579</u></b>

The notes on pages 10 - 12 form part of these accounts.

**PAROCHIAL CHURCH COUNCIL OF ST LUKE'S CHURCH HAMPSTEAD**

**STATEMENT OF ASSETS AND LIABILITIES**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

	Unrestricted funds £	Restricted funds £	2019 £	2018 £
<b>A Cash funds</b>				
Cash at bank with immediate access	37,052	3,818	40,870	29,481
Notice deposits	150,089	-	150,089	150,098
	<b>187,141</b>	<b>3,818</b>	<b>190,959</b>	<b>179,579</b>
<b>B Other monetary assets</b>				
Gift aid due to charity	17,409	-	17,409	17,241
Other debtors	2,488	-	2,488	5,523
	<b>19,897</b>	<b>-</b>	<b>19,897</b>	<b>22,764</b>
<b>C Non-monetary assets</b>				
Fixtures, fittings and equipment	7,836	-	7,836	11,648
	<b>7,836</b>	<b>-</b>	<b>7,836</b>	<b>11,648</b>
Fixtures, fittings and equipment have been included at their depreciated cost as an approximation for their market values at the year end.				
<b>D Liabilities</b>				
Fee for Independent Examination	900	-	900	750
Accrued expenses	609	-	609	486
	<b>1,509</b>	<b>-</b>	<b>1,509</b>	<b>1,236</b>

Consecrated property, beneficed property and moveable church furnishings which require a special faculty for disposal are excluded from the above list of charity assets.

The accounts were approved by the trustees and signed on their behalf

by \_\_\_\_\_ date 11 May 2020  
Rev. Alistair Tresidder

The notes on pages 10 - 12 form part of these accounts.

**PAROCHIAL CHURCH COUNCIL OF ST LUKE'S CHURCH HAMPSTEAD**

**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

**1 Accounting policies**

The accounts have been prepared on a receipts and payments basis and comprise a statement that shows the charity's receipts and payments, a statement that summarises the charity's assets and liabilities and related notes. The accountancy profession have determined that only accounts prepared in accordance with applicable accounting standards present a 'true and fair' view and, as these receipts and payments accounts have not (and cannot) be prepared in accordance with accounting standards, these accounts do not present (and are not intended to present) a 'true and fair' view of the charity's financial activities and state of affairs.

Unrestricted funds are funds which are available for use at the discretion of the PCC in furtherance of the general objectives of the charity. Restricted funds are donations which are to be used in accordance with specific restrictions imposed by donors; they include donations received from appeals for specific activities or projects.

	Unrestricted funds £	Restricted Funds £	Total 2019 £	Total 2018 £
<b>2 a) Voluntary income</b>				
Donations received - Gift Aided	73,398	5,920	79,318	82,187
Other donations	58,917	6,273	65,190	11,601
Gift aid recovered	15,776	1,480	17,256	16,306
	<u>148,091</u>	<u>13,673</u>	<u>161,764</u>	<u>110,094</u>
<b>b) Church activities</b>				
Fees for weddings and funerals	671	-	671	455
Income from Parish events	6,550	-	6,550	10,023
Rent from St Luke's School	25,043	-	25,043	25,043
Lettings for community use	23,335	-	23,335	30,772
	<u>55,598</u>	<u>-</u>	<u>55,598</u>	<u>66,292</u>
<b>c) Government funding for major repairs</b>				
PCC's share of funding for major repairs	<u>-</u>	<u>19,163</u>	<u>19,163</u>	<u>-</u>
<b>d) Investment income</b>				
Interest from cash deposits	<u>1,491</u>	<u>6</u>	<u>1,497</u>	<u>1,488</u>
<b>e) Other income</b>				
Sundry income	<u>2,888</u>	<u>-</u>	<u>2,888</u>	<u>547</u>

**PAROCHIAL CHURCH COUNCIL OF ST LUKE'S CHURCH HAMPSTEAD**

**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

	Unrestricted funds £	Restricted Funds £	Total 2019 £	Total 2018 £
<b>3 Clergy and staffing costs</b>				
Cost of payroll	17,159	-	17,159	21,270
Running costs for clergy accommodation	5,230	-	5,230	3,665
Clergy expenses	5,644	-	5,644	3,611
Cost of training	696	-	696	2,141
	<u>28,729</u>	<u>-</u>	<u>28,729</u>	<u>30,687</u>

Alistair Tressidder and Tom Pountain (who are clergy members of the PCC) receive a stipend from the Diocese; the cost of these stipends is not included in the above payroll cost however it should be noted that some of the Parish share (common fund) is used to help pay the stipends. In the case of Tom Pountain, the recharge of clergy stipend is a direct contribution towards his employment costs. Alistair Tressidder and Tom Pountain were provided with accommodation (which is customary for clergy) and the cost of this accommodation is disclosed in the above note. Alistair Tressider and Tom Pountain incurred expenses whilst serving as clergy and these costs are also disclosed in the above note.

	Unrestricted funds £	Restricted Funds £	Total 2019 £	Total 2018 £
<b>4 a Church running costs</b>				
Common fund	82,800	-	82,800	80,600
Recharge of clergy stipend	39,100	-	39,100	33,057
Clergy expenses	5,644	-	5,644	7,161
Other staff costs	27,376	-	27,376	15,630
Church running costs	11,673	-	11,673	20,808
Maintenance	1,743	-	1,743	4,960
Training costs	2,892	-	2,892	4,911
Fixtures, fittings and equipment	15	-	15	1,131
Parish events	5,606	-	5,606	13,925
Administration	9,095	3,250	12,345	5,694
Postage, printing and stationery	722	-	722	1,004
Independent examination fees	750	-	750	720
Telecommunications	460	-	460	430
	<u>187,877</u>	<u>3,250</u>	<u>191,127</u>	<u>190,029</u>
<b>b Major repairs</b>				
Major repairs to church property	<u>642</u>	<u>19,163</u>	<u>19,805</u>	<u>-</u>
<b>c Mission giving and donations</b>				
Overseas missionary	2,131	3,569	5,700	6,030
Home mission	6,144	6,650	12,794	3,771
Other gifts	104	-	104	-
	<u>8,379</u>	<u>10,219</u>	<u>18,598</u>	<u>9,801</u>

**5 Transactions with members of the PCC and those closely connected to them**

Other staff costs include payments totalling £9,240 (2018: £1,462) to S Tressider (who is related to a member of the PCC) for working as the church's womans' worker; church running costs includes payments totalling £420 (2018: £215) to T Tressider (who is related to a member of the PCC) for sundry services.

PAROCHIAL CHURCH COUNCIL OF ST LUKE'S CHURCH HAMPSTEAD

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2019

6 St Luke's Church of England School

St Luke's Church of England School was established by members of the church and the PCC has the power to appoint some of its governors. During the year the School paid rent of £25,043 (2018: £25,043) to the PCC for the use of church property (see note 2(b)).

St. Luke's School was liable for a proportion of this year's expenditure on major repairs. Its share of this expenditure, and related government funding was £19,805, and this income and expenditure has been excluded from the income and expenditure reported by the charity.

7 Movement on restricted funds

	Balance at 31.12.18 £	Receipts £	Payments £	Transfers £	Balance at 31.12.19 £
Restricted funds					
Major repair fund	-	19,163	(19,163)	-	-
Mission fund	3,608	7,906	(10,219)	-	1,295
Church worker fund	-	4,000	(3,250)	-	750
Equipment fund	-	1,773	-	-	1,773
	<u>3,608</u>	<u>32,842</u>	<u>(32,632)</u>	<u>-</u>	<u>3,818</u>

The **Major repair fund** was created from grants from the local authority and central government to help fund major repairs to the church building, namely the replacement of a boiler and repairs to flooring.

The **Mission fund** was created from donations received to help support UK and overseas mission.

The **Church worker fund** was created from donations received to pay the salary of a member of staff.

The **Equipment fund** was created from donations received to help the church buy children's equipment for ministry and holiday clubs.